DOCUMENT RESUME

ED 114 468 CE 005 111

TITLE	An Educational Program for Sub-Professional Personnel to be Employed in Health Maintenance Organizations. Final Report.
INSTITUTION	HMO Management, Inc., Los Angeles, Calif.
SPONS AGENCY	National Institutes of Health (DHEW), Bethesda, Md.
PUB DATE	75
NOTE	99p.; Appendix H, Related Newspaper Articles, has been removed as it will not reproduce in microfiche
EDRS PRICE	MF-$0.76 HC-$4.43 Plus Postage
DESCRIPTORS	Educational Programs; Federal Legislation; *Health Occupations Education; Health Personnel; *Health Services; Internship Programs; Medical Education; Medical Services; *Paramedical Occupations; *Program Descriptions; *Program Planning; Subprofessionals

ABSTRACT

Through Medicaid, the Health Maintenance Organization Act (HMO), and Prepaid Health Programs (PHP) approaches were established whereby the government can help alleviate the medical problems of the needy. A program to educate and train students in California in the philosophy, administration, and development of PHP was developed in response to difficulties in the implementation of the legislation. The six-month program combines classroom training in specific skills with internship. Program activities described include student recruitment and selection, and the training program itself, which consists of a curriculum covering medical billing, statistical reporting, marketing, accounting, PHP/HMO law, medical terminology, principles of PHP/HMO management, and communications. An assessment of the curriculum showed a positive response from the students but an attrition rate attributed to several factors was detected. Other factors reported on are class composition, guidance and counseling, job placement programs, public acceptance, and student motivation. A high success factor in terms of realization of objectives was found for students who finished the program. Conclusions and recommendations about the program are given. Appended materials include: details of the California State plan for nine-point Institute for Medical Service; student selection, orientation, and evaluation materials; curriculum outline; and a list of texts and materials. (EC)

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OCT 6 1975

An Educational Program for Sub-Professional Personnel to be Employed in Health Maintenance Organizations

FINAL REPORT

Submitted to the

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

Public Health Service Division

In Compliance With

Contract No. I-1-MB-44195

Contact Person:

Mr. Billie S. Harmon
Project Director

H.M.O. MANAGEMENT INC.

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

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INC.

July 29, 1975

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Dear Dr. Kadish:

Pursuant to Contract No. 1-MB-44195, attached you will find the Final Report in publishable form.

Should you have any further questions, please do not hesitate to contact me.

Respectfully submitted,

Bill Harmon
President

BH:ea
Enc.

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FOREWORD

MEDICAID----------Medical Assistance for the Indigent.

Title XIX of the Social Security Act, originally enacted by the Social Security Amendments of 1965, Public Law 89 - 97, and approved July 30, 1965, provides for grants to the States for their medical assistance programs. The purpose of this Title, oficially named "Grants to the States for Medical Assistance Programs," but popularly called "Medicaid" (in California the program is called "Medi-Cal"), is to enable the States to (1) furnish medical assistance to families with dependent children and to the aged, blind, or permanently and totally disabled, whose income and resources are insufficient to meet the costs of necessary medical services, and (2) to furnish rehabilitation and other services to help these families and individuals attain or reattain the capability for independence or self care. unlike the Medicare program, benefits under the Medicaid (Medi-Cal) program are available only to the needy and they are not limited solely to the aged or disabled. Furthermore, while the Medicare program is a purely federal program, the Medicaid Program is a joint federal-state program, the states having considerable latitude in determining eligibility requirements and the scope of services provided.

The preceding outline of the Medicaid (Medi-Cal) program was the foundation upon which the present prepaid health plan in California was built.

California Assembly Bill 949, which was enacted August 13, 1971, provided that persons who were in the cash grant category of Medi-Cal, i.e. "categorically needy," eliminating the medically needy, could receive their health care under a system of prepaid health plans. This program specifically covers the following aid categories: (1) Aid to families with dependent children (AFDC), (2) Old age survivors (OAS), (3) Aid to the totally disabled (ATD), (4) Aid to the blind (AB).

The State of California, through its statistical information, had established profiles on the cost of health care provided on a yearly basis to the above categories. The Director of Health Care Services then established a ten percent (10%) reduction in the State's costs on a fee-for-service basis as a negotiable figure in establishing the capitation rate for those categories. At this time the rates have been established on a county basis, and are non-negotiable. There are approximately 2.2 million Medi-Cal recipients in the State of California. Dwight Geduldig, formerly the Director of the California Department of Health Care Services, and recently appointed Director of the Human Resources Development in California, stated he believes that 75% of the State's 2.2 million Medi-Cal recipients will eventually be covered by prepaid health plans.

Persons for whom the State may provide medical assistance under its Medicaid (Medi-Cal) plan may be divided into two (2) groups, the "categorically needy" and the "medically needy." The term "categorically needy" refers to individuals who are receiving financial assistance (sometimes referred to as "money payments") under the State's approved plan under Title I of the Social Security Act (Old-age Assistance, or OAA), Title IV-A of this Act (Aid to Families with Dependent Children, or AFDC), Title X of this Act (Aid to the Blind, or AB), Title XIV (Aid to the Permanently and Totally Disabled or APTD--in California it is referred to as ATD), or Title XVI (Aid to the Aged, Blind or Disabled, or AABD). The term also includes individuals who are in need under the State's standards for financial eligibility in the applicable plan. The term "medically needy" refers to individuals whose income and resources equal or exceed the State's standards under the appropriate plan, and hence are not "categorically needy persons, but whose income and resources are insufficient to meet: (1) costs for medical insurance premiums and for necessary medical and remedial care and services recognized under state law but not encompassed in the state Medicaid plan, plus, (2) costs for medical and remedial care and services included in the State plan. Under this Medicaid (Medi-Cal) program, commonly referred to as the fee-for-service system, the State pays each physician, pharmacist, or other health care provider for each service they render.

What does the establishment of these plans mean to our economically depressed communities? In approximately 3½ years, the prepaid health

system has gone from the germination of a pilot project to California Assembly Bill 949 to the establishment of some fifty-four (54) prepaid health plans in California. Presently, however, the number is decreasing.

As of June 26, 1975, Governor Brown's administration announced that the PHP system would be terminated as it exists in its present form. In its place the Health Department will initially fund the establishment of Institutes for Medical Service (IMS). This transition was based on the belief that the prepaid system was sound conceptually; however the approach of preventive health maintenance must be strictly enforced and monitored. Further, it will be the responsibility of any State approved IMS to be heavily consumer and community-at-large oriented. The new regulations will discourage the continuation of the smaller plans and encourage large, financially stable and community oriented plans to comply. That is to say that the positive approach, at this point, is for the smaller plans with enrollments of 2,000 or less, to form agreements with other plans of comparable size for the purpose of operating as one. This will afford such plans the ability to comply with State regulations in such areas as size of enrollment, doctor-patient ratio, and financial stability.

In Southern California alone, there are in excess of one hundred seventy thousand Medi-Cal beneficiaries receiving their medical care through the prepaid system. Therefore, to effectively serve this populace, mergers such as those described would enable the Medi-Cal system to continue providing services under the prepaid structure.

Due to the fact that these plans have geared health services to economically depressed areas, there is an ever increasing need for trained personnel to operate these comprehensive medical programs.

Concerning the ever increasing need for trained personnel in the prepaid health field, let us, at this time, consider the growth aspects of prepaid medicine. On February 27, 1973, in the Los Angeles Times, Dr. Joseph F. Boyle, President of the Comprehensive Health Planning Council of Los Angeles County, stated, "The concept of prepaid health contracts is a good one and if properly administered, could prove more efficient and less costly than the traditional fee-for-service system." Edward J. Wiater, M.D., Los Angeles stated in the Los Angeles Times, January 13, 1973, "Prepaid health plans have been a part of our health care system for a number of years. They are not at all new on the American scene. It may be that certain adaptations of these plans may prove the appropriate systems for health care to certain segments of our society and for certain physicians." Dr. Earl W. Brian, former Secretary of the State's Health and Welfare Agency, like so many others, sees the prepaid concept as a tool for cutting health care costs. Further, he feels under the current fee-for-service system, the doctor is paid for each service he provides; thus, the more he prescribes, the more he makes. Under the prepaid system, the doctor gets a flat fee in advance to provide whatever care the patient may need. This statement was taken from the Los Angeles Times dated December 27, 1972.

Gordon Cummings, a California Hospital Association researcher and former administrator of the Sacramento Medical Center, stated in the

Sacramento Union on Tuesday, November 14, 1972, that future health care delivery will be shaped by the needs of its largest purchase, the government. Further, he stated, "I happen to believe personally that the way government organizes 40% of the system is going to tend to make the other 60% in the private sector do likewise."

"Right now," he said, "it looks as if the government wants something that cuts costs and something with which it can contract for health services by paying a lump sum in advance. It can do this through a prepaid system."

Prepaid health is undoubtedly the system to be used to deliver health care in the economically depressed areas on a national scale. However, the aforementioned health delivery system has recently experienced a cessation in its upward trend which will be delineated in Chapter Four.

THE H.M.O.----------Prepaid Health for the Nation

Running parallel to the development of the prepaid health programs (PHP's and IMS's) in California was the Federal government's interest in the delivering of medical services on a prepaid basis. The entry of the Federal government into this area was the signing of the Health Maintenance Organization Act of 1973. From the conceptual standpoint, i.e., comprehensive medical services on a prepaid basis and provided by a single provider group, the programs were the same. As previously mentioned, the California PHP programs were to cure some of the ills of traditional Medicare. In the Health Maintenance Organization Act of 1973 the objectives were the same. Some of these identified ills include: (1) the availability of medical services, (3) fragmentation of those services,

(4) the high cost of medical services. There were also some possible disadvantages identified with these concepts.

First, there would be the possible threat of the PHP's, IMS's and HMO's providing too few services, since their profits are directly related to the amount of services provided.

Another drawback is that it limits members' choice of physician and sometimes their choice of hospital.

A third disadvantage can be a PHP's IMS's or HMO's failure to cover illnesses or accidents outside of their service areas.

A fourth possible disadvantage can be impersonal care, made worse by long waits for non-emergency appointments and an atmosphere resembling, to some people, that of public clinics. A further disadvantage is the subscriber's concern about the physician-patient relationship.

The following is a report of the participation of H.M.O. Management, Inc. in the development of an educational program to train students in the philosophy, development and administration of prepaid medical programs. This educational program was administered pursuant to contract Nol I-MB-44195 under the auspices of the Department of Health, Education and Welfare, U.S. Public Health Service.

CHAPTER ONE

INTRODUCTION

With the advent of the State of California's financially supported Prepaid Health Plans (PHP's) and their gaining force, particularly in 1973 and 1974, came administrative staff and personnel compositions that were, by and large, insufficient. These insufficiencies were experienced with many PHP's in terms of their chronic inability to meet contract requirements, manage and function within the limitation of monies allotted to them through capitation, coupled with a misallocation of funds received that were applied to administration; and, further, to establish and maintain appropriate utilization of facilities and services. That is to say that, due to lack of proper training expertise and sophistication as they relate to PHP services, the membership could not be properly advised. Two extremes evolved. Often a member suffered from being underserved, or established a pattern of overutilization, i.e., using the emergency room for nonemergency services rather than the assigned primary care facility. From an enrollment standpoint, prospective members often were not advised properly of their coverage and/or other details of the ramifications of the contractual agreement.

Out of these and other difficulties grew the ideals and format of the PHP and HMO manpower training and development program. To initiate this format effectively it was necessary to select a

student population interested in becoming involved with the health and welfare of the public at large. It was also agreed that selection should be based on the individual's need for career training or retraining. Chapter Two will discuss further specific selection criteria formulas.

The form of training selected for the undertaking of this project was a combination of classroom training and internship or interim placement.

For the purposes of program assistance, monitoring, and evaluation, a Project Advisory Committee was established, its membership consisting of executive directors from five Los Angeles-based PHP's. In conjunction with the Advisory Committee the Contractor established a comprehensive course curriculum involving all facets of PHP's and HMO's.

The objectives of the Project Advisory Committee as set forth in their initial meeting were to identify areas of need to enhance the present delivery system of prepaid health programs. Suggested areas of need were:

1. Identify the relationships between the Federal Government, Prepaid Health Plans and other organizations relating to health programs.
2. Identify curriculum to interface with the programs.
3. To improve and upgrade curriculum for our program.

The types of persons the curriculum was geared toward were:

1. Those functioning in PHP's but without complete understanding.
2. Those with skills.
3. Trainable but disadvantaged persons.

The rationale behind exposing all students to a multifaceted curriculum was twofold. First, it was felt that keeping the scope of training on a broad base would serve to broaden each individual's scope of employability. Second, complete exposure to all facets of PHP's and HMO's would enable a student to evaluate more fully his career interests.

Chapter Two will serve to illustrate program activity and related critiques. Chapter Three will identify the Contractor's view of the extent to which program objectives were met. Chapter Four will discuss the Contractor's recommendations for program modification and/or replication.

CHAPTER TWO

ACTIVITY NARRATIVE AND RELATED CRITIQUES

Student Recruitment and Selection

The initial activities were outreach and selection of students. These processes took place in the following order. The specific program information needed for outreach was received from the Project Director thirty days prior to the start date of the H.E.W. Training Program. From this information a newspaper ad was generated and put into the four major local newspapers in the Greater Los Angeles Area. Ten-, twenty-, thirty-, and sixty-second radio spots were produced and sent to 25 local radio stations to be aired as public service announcements. Next, two mailings were initiated. A letter of introduction to the program and a bulletin announcing the program were sent to all prepaid health plan programs in the area with the request to place the bulletin on their community bulletin boards. Also, a letter of introduction to the program, plus an identification of the course curriculum was sent to forty-five contracted agencies in other government and civic programs with a request for possible referrals for enrollment. To solicit response from previous program applicants, a form letter was sent to all individuals who had previously indicated that they would want information concerning any up-coming programs.

Most responses came in by phone, at which time the prospective student was given a brief outline of the program, and an appointment for an orientation interview with the Outreach Director was made.

At the orientation interview the prospective student filled out enrollment application forms, received all needed information to fully understand the program and its goals, and received clear answers to all questions.

At the end of the orientation interview the prospective student was informed that, because of the limited enrollment, he/she would be called back for an interview with the Student Selection Committee.

The Student Selection Committee consisted of:

1. The Program Director
2. The Outreach Director
3. The Vocational Counselor
4. The Job Placement Counselor

The committee met prior to the interviews, and agreed upon criteria for student selection. which were:

1. Motivation
2. Ability to complete the program
3. Interest in the health care field
4. Need for training or re-training
5. Unemployed or underemployed, or
6. Within established O.E.O. Poverty Guidelines

All prospective students were called in for an interview with the Student Selection Committee one to two weeks prior to the program start date. The Committee spent 15 to 30 minutes with each person.

The Student Selection Committee met after all prospective students had been interviewed and selected enough students to fill all training program slot openings. The Committee also selected students for a waiting list to fill any slot vacancies caused by student withdrawals. Immediately thereafter the Outreach Program Director called all persons who had been interviewed by the Student Selection Committee to inform them whether they had been accepted into the training or put on the waiting list to be called when there was a slot opening. If they had not been selected for the training program, they were called and told that their applications would remain active and they would be notified by mail as to when another program would begin that could be of interest to them.

This process was found to be extremely successful for both staff and students. It gave selected students a strong program orientation, thereby negating major misconceptions. Further, it gave the staff a good chance to meet and begin to establish a rapport with the new student. Out of 84 applicants, a class of fifty was selected to begin the program.

The Training Program (Curriculum)

The H.E.W. Training Program began with a three-day oritntation program on September 16, 1974. The purpose of the orientation program was to give the student a broad-based understanding of H.M.O. Management, Inc. as a corporate entity, a viable training institution, as well as to further acquaint the students with the training program objectives, the instructors, the specific courses, and their specific training

objectives. Along with two basic subject courses, Math and English, which were used as refresher courses, the PHP/HMO related courses were:

1. Medical Billing
2. Statistical Reporting
3. Marketing
4. Accounting
5. PHP/HMO Law
6. Medical Terminology
7. Principles of PHP/HMO Management
8. Communications

Medical Billing covered all types of insurance billing, public and private as well as special prepaid procedures. A study of the various standard professional codes was done as a necessary introduction to understanding medical claims processing, patient's chart construction, computerized and manual patient's visit slips and billing.

The objectives of this course were to place the potential graduate within a claims department in a medical facility or health delivery system as a better claims examiner, coder, etc., and to enhance the overall knowledge and abilities of that graduate who was to be placed in other supervisorial, managerial or clerical positions.

The Statistical Reporting course delivered a comprehensive understanding of the State's data reporting requirements under the terms of the PHP Contract, how to extrapolate and report them, and how

these and other statistics should be utilized by a PHP or other health delivery systems. This course also taught one how to read and use the various computer reports generated by the State PHP Bureau. The data obtained from Statistical Reporting is necessary for those graduates who would be placed in managerial and supervisorial positions and it also prepared the graduate for placement as a Statistical Reporter in a PHP.

Marketing was an essential component of the curriculum due to the need for the individual entering the PHP field to understand and be aware of the many governing laws and regulations as set forth by the State of California. All facets of the above were delivered as well as marketing and sales techniques, recruiting techniques and the relationship of demographic analyses to a successful sales effort. This enabled the graduate to play a vital role in the development and expansion of a prepaid health plan. The data imparted would also enable that person to develop and market other prepaid contracts within the private sector. Another objective of this course was to place the graduate in a position as Marketing Director or Assistant Marketing Director.

The primary objective of the Accounting portion of our curriculum was to impart the basic, fundamental stratum of accounting tools and principles, with the singular purpose of generating a prospective PHP administrator or supervisor who had the ability to analyze and utilize financial information in a manner that would be conducive to the suc-

cessful operation of the business. The course encompassed bookkeeping, generally accepted accounting principles, financial statements, and touched upon tax rules.

PHP/HMO Law exposed the student to the various acts, laws and regulations, such as the Knox-Mills Legislation, the PHP contract, the HMO Act of 1973, etc., which are applicable to the operation of health delivery systems. The information delivered in PHP Law is vital to any job function into which the graduates were to be placed within a prepaid health plan.

Medical Terminology was designed to enable the potential graduate to understand and, therefore, to relate medical terminology to both secretarial and medical staff. The information derived from Medical Terminology was necessary for those graduates who might be placed in a front or back office management or supervisorial position as well as secretarial or clerical positions. In addition it would allow the graduate to perform as an intermediary between physician and staff within a health delivery system.

The Principles of PHP/HMO Management delivered a history of management principles and then related these concepts to various types of health delivery systems. This course was designed to be an effective aid to the development of an understanding of the major functions of management and to impart skills that would lead to managerial effectiveness in the PHP or HMO organization. This study of the process of management was based upon the assumption that there are com-

mon activities and skills that lead to managerial success in the PHP/ HHD industry.

The Communications course developed the student's ability to communicate effectively. It included the development of one's attitude, self confidence, human relations and the ability to make decisions. A prime objective of the communications course was to give the student a complete, comprehensive and practical working knowledge of the processes involved in personal and administrative communication and was delivered in such a way that the student could apply this knowledge and ability in any position in which the student might be placed.

Our full teaching staff was available on an on-going basis for individual tutoring. This individual teaching approach enabled the instructor to concentrate on the student's weak areas of learning and was seen to be one of the most effective tools in helping the student attain the desired goals. A recent report (Manpower Research Monograph No. 38) issued to sponsors of Manpower Programs under the Comprehensive Employment and Training Act (CETA), verifies this belief.

Curriculum Assessment

Though at the start of the program there were a total of fifty student participants selected by the Student Selection Committee, ten weeks into the program the number of active students had dropped considerably. Student enthusiasm remained relatively stable even though there was a drastic reduction in the student population. This created a puzzling situation in that it was difficult to determine precisely whether it was the curriculum that was inadequate or if, in fact,

there were other factors that were more responsible for the attrition rate. As a result of this situation, the Curriculum-Facilities Inquiry Report was developed, its purpose being to:

1. Measure individual student response to curriculum,
2. Measure whether or not each student thought he/she had gained any new and additional abilities, and/or self-confidence from the program,
3. Measure student response to classroom facilities, and
4. Measure instructor accessibility to students.

A composite of student responses is noted in Chart 2-1. All facets of the curriculum were assessed. The results of the Inquiry returned some interesting statistics in terms of the student's acceptance of the curriculum and problems in need of immediate attention. Specifically, 96% of the remaining students indicated strong support and acceptance of the curriculum. The same 96% indicated that they had attained a new and higher level of self-conficence and professional ability. The problems identified were related to the physical facility's need for increased working table space for such classes as Medical Billing and Accounting. Students further indicated strong enthusiasm in their ability to have access to their instructors, and felt that this had a great deal to do with their personal success.

The overall result of the Curriculum-Facilities Inquiry Report showed that the students were not having a negative response to the curriculum, and in fact they were still very enthusiastic about the PHP/HMO Training Program. At this point it became necessary to search for other factors that could have contributed to the on-going attrition factor.

CHART 2-1

CURRICULUM FACILITIES INQUIRY

Inquiry	Measurement	# Responses	Measurement	# Responses	Measurement	# Responses
Curriculum	Much Enjoyed	38	Moderately Enjoyed	2	Disliked	0
Able to relate curriculum to health care industry	Yes	40	No	0	No Comment	0
Should be curriculum be modified	Yes	4	No	36	No Comment	0
Instructional facilities condusive to learning	Yes	26	No	14	No Comment	0
New abilities attained through participation in program	Yes	40	No	0	No Comment	0
Outside reading and assignments	Appropriate	36	Too Much	4	Too Little	0
Instructor stated and maintained objectives	Agree	38	Disagree	2		
Instructors are accessible to students	Agree	33	Disagree	6		1
Rank of instructors	Above Average	33	Average	6	Below Average	1
Total number of students responding to inquiry	40					

Later in this chapter, as well as in Chapter Four, primary attrition rate factors will be discussed.

The teaching approach incorporated numerous methods of imparting related materials. The bulk of the information was presented in lecture/discussion form. Because PHP/HMO directed materials were so relatively new, handouts replaced textbooks in many instances. However, such courses as Medical Billing, Medical Terminology, and Accounting were taught with the support of text materials.

As a supplement to instructor imparted information, guest speakers and field trips were implemented on a bi-weekly basis. Field trip locations included such sites as Children's Hospital, Martin Luther King Hospital, the Cancer Research Center, Sherman Oaks Community Hospital, Daylin Drug Company, the City of Hope, the Department of Public Social Services office, Kaiser-Permanente, Central Medical Group, and Quality Health Care. The latter three sites were PHP's and HMO's. All sites were within the Los Angeles County area. Guest speakers represented all facets of the health and welfare arena, including physicians, Prepaid Health Plan executives, some of whom were former graduates of previous training programs through this institution, consultants, an attorney specializing in PHP Law, Medical Equipment specialists, and a Computer Systems Specialist dealing with PHP Statistical Reporting.

There is at present no educational program within regular academic programs to train persons in specific skills for PHP/HMO operations.

Continuing education is a very appropriate approach for training such persons. However, prior to the establishment of manpower training and development programs by this Contractor, persons acquiring needed skills existed only in traditional "on-the-job," learn-as-you-go settings, frequently in an unorganized fashion resulting in minimum efficiency. Experience has shown that there is a lack of opportunity for acquiring such skills either in academic settings or well-planned and organized experiential situations. Thus there is insufficiently trained manpower available to cope with the demands.

Our training program has placed trained personnel in the field of prepaid health who are used to instruct persons within the organization in which they are employed to thereby increase that company's area of effectiveness.

On the basis of prior experience, this Contractor realized that using in-the-field trained personnel as instructors for the H.E.W. Training Program was of vital importance. The rationale is that using individuals who can relate actual experiences to students is not only effective as a teaching tool, but further serves to illustrate to the student a realistic picture of the health care service industry.

Class Composition

The vocational and counseling program as related to the H.E.W. Training was a continuous learning process involving interaction in non-authoritative fashion, between the individual student and counselor whose problem-solving efforts were oriented toward vocational planning. The student population of the H.E.W. Training Program was made up of

individuals of varying backgrounds and training and, as a result, these students brought with them a diversity of concepts as they related to occupational information and career opportunities. The heterogenousness of the group, if it were plotted on a continuum, would extend from below high school level to college level, from a low socio-economic grouping to a middle and even high socio-economic grouping. Cultural and ethnic differences also contributed to the dissimilarity of this group. Composite background student information is further delineated in Chart 2-2.

Guidance and Counseling

The diversity of this group was a significant variable used to predict problem areas that could arise that were totally unrelated to the instructional process of the training program. Keeping this important factor in mind, the vocational guidance and counseling program was designed so as to help each student adjust satisfactorily to the overall training program, assist the student in making wise choices, plan interpretations that were related to career decisions so that the student was able to choose suitable and realistic goals, and help bridge the gap for those students who had no understanding about or experience with the world or work.

The vocational guidance and counseling program served as a viable tool to the overall training program because it:

1. Assisted the student in developing as complete an understanding of himself as possible.
2. Assisted the student in developing as complete an understanding of the world of work as possible.
3. Assisted the student in integrating these factors so that he was able to make effective vocational decisions.

CHART 2-2

PERSONAL HISTORY COMPOSITE

AGE	EDUCATION				PRIOR EXPERIENCE			*ETHNIC MEMBERSHIP					
RANGE	HIGH SCHOOL NOT COMPLETED	HIGH SCHOOL GRADUATE	TRADE TECH OR JUNIOR COLLEGE	COLLEGE GRADUATE	HEALTH RELATED	APPLICABLE	NOT RELATED	B	C	SS	I	A	O
18-21	1	6	1	2	2	1	7	5	4			1	
21-25		2	2	3	2	2	3	1	5				1
26-30		2	2		1	2	1	2	1				1
31-35		2		1		2	1	1	1	1			
36-40	1		2	1,1**	1	3	1	4	1				
41-45		3	1	2	4	1	1	1	2	2		1	
46-50		1		1**	1		1	1	1				
Over 50			1	2**		2	1	1	2				
Totals	2	16	9	12	11	13	16	16	17	3	0	2	2

*B = Black
C = Caucasian
SS= Spanish Surnamed
I = Indian
A = Asian
O = Other

**Postgraduate Level

Note: This class composite is representative of those students actively enrolled ten weeks into the program. Class total, 40.

4. Helped the student relate to an occupation within the framework of a life-style that was personally satisfying, socially constructive and economically productive.

The counselor and the student with a problem were concerned not only with solution of the immediate problem, but also with planning new techniques for meeting future problems. While the student may have had need for anxiety reduction concerning his vocational problem or set of problems, psychopathology was not involved, and the student was capable of developing new attitudes and appraising vocational reality with reference to his unique assets and liabilities without requiring a major restructuring of his personality. Psychotherapy may have resulted in some measure; but vocational planning, not psychotherapy, was the primary orientation of the vocational guidance counseling program.

Placement Program

The placement program was broken down into three phases. The first phase was an introductory phase where both the student and counselor were involved in a learning process; the student was becoming familiar with the counselor and at the same time the counselor was learning about the student's past experiences, present anxieties and fears, in addition to future expectations. This process involved establishing a counselor/student relationship as well as developing confidence and trust in one another.

The second phase of the placement program involved the interim placement program. This program was specifically designed so the student could incorporate the classroom theory into a practical, working experience. Each student was placed in a prepaid health plan for a total of two (2) weeks,

in a job related area to identified interests and skills. Under the supervision of the department head to which each student was assigned, specific job duties were performed as if each student were a responsible, full-time employee of that health plan. Since placement was designed to coincide with each individual's goals and aptitudes, this exposure became an extremely valuable factor in the entire training process, because the student could better evaluate:

1. His own capabilities,
2. The training he had thus far received,
3. The physical, administrative, and managerial problems of the plan he was involved with, and
4. His achievement in terms of vocational goals.

The individual counseling as it related to placement was designed to determine each student's immediate and long-range goals. During counseling, it was necessary to incorporate the student's previous education and experience with present training and practicum in order to assess and, if necessary, reassess goals so that they were realistic for that particular student.

Job Placement Problems

Because the composition of the H.E.W. class was multifaceted in terms of age, education, ethnic and cultural background, each student brought along his/her own personal prejudices, misconceptions, ideas and ideals. In order to be successful in achieving goals, it was necessary to prepare the students for an extremely realistic appraisal of the opportunities they would have and at the same time not discourage or dissillusion them in their attempts to attain or achieve their goals.

Public Acceptance

In the State of California, particularly in Southern California, the prepaid health delivery system concept has not enjoyed a very nutrient host, that being public acceptance. The reasons are varied. When the program was implemented by the State Department of Health, very little information as to the benefits of the program was given to the Title XIX population. The State then contracted with certain health plans, many of whom serviced the same area as their competitors. Consequently Title XIX residents in these areas were bombarded by plan sales persons, referred to in many areas as Enrollment Representatives. These persons were guilty many times of misrepresentation. Not only did they misrepresent themselves as representatives of government agencies and as professional medical personnel, but they also misrepresented the capabilities of the medical plans they represented. Many welfare recipients, when signing up for this program in the privacy of his or her own home, and in the presence of the salesperson, were convinced that their medical problems were over. They were led to believe that a medical system had come into being where they would have no more problems with seeing a doctor whenever they wanted to.

It should be stated that in the State of California, Medi-Cal recipients were allowed two routine doctor's office visits per month and two prescriptions per month under the fee-for-service system. One of the great sales points of the prepaid health system that was incorrectly stated was that medical services were unlimited. Needless to say, when the time came for the member to utilize the services he found himself bewildered. Not

only were the many services promised not so readily available as he had been led to believe, but the member found himself in a totally new delivery system that was to provide all of his health care needs, a new system that he had not been properly prepared to use.

Organizations sprang up in the communities to contest the atrocities that were taking place. The media became interested and as they investigated the charges they found many of the accusations to be true. Articles began appearing in all the newspapers across the state expounding on the political and medical wrong-doings related to prepaid health programs. The State Department of Health found itself having to take action against the sales tactics. In an article appearing in The Los Angeles Times on September 6th, 1973, the State Health Director J. M. Stubblebine suspended all door-to-door solicitation in Orange and Los Angeles Counties. He stated, "We are taking this action in response to numerous complaints about deception and misrepresentation that have been made to the department and law enforcement agencies in those areas."

Attrition Factors

The student population at H.M.O. Management, Inc. was exposed to the media and its constant bombardment of the prepaid health delivery system. Much time was spent with students, reinforcing the validity of the prepaid health plan and stressing the importance of having people trained, as they were being trained, to add to the validity of prepaid health delivery systems. It is the view of this Contractor that the attrition rate for

this class due to negative media input was approximately fourteen percent (14%).

The course curriculum had been developed to cover six months of instruction. However, in evaluating the attrition factor we found that some students tended to become lethargic as a result of the classes not moving fast enough. In contrast, other students felt that classes were moving too rapidly. The reasons for this disparity lay largely in the selection criteria. The class had students ranging from high school dropouts to college graduates. The outcome of this situation is discussed later in this chapter. After evaluating the attrition rate among the students we find that by restructuring the selection criteria and developing some student enrollment standards, actual program time could be cut from six months to four months.

Student Motivation

During the mid-term phase of the program, a degree of deterioration with regard to student morale was observed by the training staff. The coined term "Mid-term blahs" aptly describes the general mental state of a majority of the students in attendance during the month of December, 1974.

This depression, which was unanticipated in view of the fact that the students were at the halfway point of potentially meeting their objectives, was reflected in their classroom participation, general attitude, and rate of attrition. Some students experienced difficulty in assimilating class materials of a theoretical nature.

They viewed it as being too abstract, and desired a more structured "on-the-job" training program as opposed to the manpower training program they had enrolled in. However, the rationale for their preference is debatable, considering the fact that positive results, i.e., job placements, were obtained by the latter method of training.

Frequently, the students needed positive reinforcement and reorientation in reference to their objectives. The student's losing sight of their objectives was a negative situation that has been attributed to the lengthiness of the six-month program. This hypothesis was substantiated by comments made on the Final Program and Curriculum Inquiry Report completed by the students prior to their graduation.

Another plausible factor to be considered is that the program lacked student stipends. For example, during the month of November alone, five students dropped out because of financial problems. An equally important factor, not to be omitted from the course of low student morale, has been associated with the broad educational background of the participants in the program. Ranging from high school dropouts to college graduates, the students experienced various degrees of frustration in relationship to their ability to comprehend the material as presented. Some students requested an acceleration in the delivery of course material, while other students desired the opposite. The net result was an inability to eliminate totally the frustrations of all parties involved, even though a middle-of-the-road approach to the method of delivery was practiced by the training staff.

As a final comment on the subject, the observed, somewhat complex behavior of past students has been what may be properly identified as the Classical Approach Avoidance Conflict whereby the closer the student approches his objectives, the greater his desire to avoid course completion (feelings of apprehension) which is attributed to his projections of insecurity in a real job situation.

One of the most serious problems that tended to plague the overall training program was that a large percentage of the students displayed feelings of insecurity about entering into the occupational field for which they were being trained.

Their apprehension appeared to be based on a combination of variables. (1) In some cases the student felt inexperienced, (d) some students were fearful of not performing well on the job, and (3) some students were not sure they would be able to apply to practical situations the theoretical knowledge gained in training.

During this very crucial point in time, the counselors (placement and vocational) spent a great deal of time helping the students work through their anxieties. On-going counseling with each student was a significant factor in bringing the students into the proper perspective of what they were to face. As a result the studentsentered their interim placement assignments with less apprehension about their level of functioning.

The interim placement assignments in some cases were positive reinforcement in the career objectives of the students, and for some students it proved to be negative.

About 60% of the class were happy with their assignments and the amount of their involvement with PHP's. There was a small percentage that were neutral, and the remaining percentage were totally negative about the PHP's and their involvement with them.

Most of the complaints voiced against the plans identified a lack of organization on the part of the PHP's. This negative factor that was encountered by some of the students served to validate many of the strong points brought out in their training and thus gave the students a frame of reference relative to the need for qualified personnel within the health care field. That is to say that the presentation of a comprehensive training curriculum, coupled with the interim placement experience, served to provide the students with the sophisticiation of being able to judge the difference between correct and incorrect methods of operation.

This experience, though negative for some, became the catalyst that reinstated the students' feelings of security that had previously been waning. Evidently the experience was enough of a jolt to bring up the morale factor to a level that enabled the student to once again assess his own worth and career objectives more positively and realistically.

Through the entire training program, the importance of obtaining job positions was emphasized to all students. Upon return from interim placement, the students settled into an intensified routine of preparation for the highly competitive job market. To prepare the students for job interviews and securing permanent positions, class lessons on

applications, interviews, resume development, and job search techniques were conducted. This segment of training also included further individual counseling where each student received reinforcement of his strengths and capabilities. The encouragement generated in the counseling sessions was for the purpose of solidifying a clear and positive self-image which the student would then convey in securing a meaningful position. It was during this phase that apprehensions and anxieties of each student were discussed and these energies were channeled into positive thoughts and attitudes. These sessions were extremely crucial in reducing any negative behavior prior to a student's being referred for a job interview.

CHAPTER THREE

REALIZATION OF PROGRAM OBJECTIVES

For those students who were able to maintain their position in the program throughout its duration, a high success factor in terms of realization of objectives is much in evidence. All graduates completed the program after being exposed to not only all facets of PHP's and HMO's, but a large portion of Fee-for-Service Systems as well. The comprehensive curriculum, the aid of instructors and counseling staff, served to assist each student in making healthy and realistic decisions concerning career goals, and further served to assist the student in approaching and/or meeting those goals.

Close staff-student relationships developed throughout the peaks and valleys experienced in the six-month program. Because of this rapport, and because of the perseverance exhibited by both staff and students, those who completed the program ventured out with a well-deserved feeling of security, in themselves, in the job they could do, and in what they could accomplish and contribute.

One of the most important variables during a job interview is the attitude of the prospective employee. A positive confident person will have a much better chance for securing a position than a person who is negative and insecure about his capabilities. For this reason the objective was to refer the most capable person for each position available. This would then limit the number of interviews

a student would be subjected to and therefore reduce the chances of becoming discouraged. In other words, as the number of interviews and rejections increase, the confidence and positiveness will decrease.

Thirteen graduates of the H.E.W. class were referred to only one job interview. Three students had two interviews, four students had three interviews and the remaining two students were referred more than three times.

Some students did indicate upon completing the course that they were not interested in employment due to previous commitments or interests. Three students were already working in the health care service field and took our course only as a supplement to strengthen their understanding of prepaid health and to advance in their careers.

Listed below is a sampling of some graduate students and the type of positions they secured as a result of the H.E.W. Training Program:

1. Community Relations Worker - Liason between the PHP and the community to help resolve patient and community members' complaints and problems
2. Medical Receptionist - greeting patients, answering phones, making appointments, pulling charts, checking PHP eligibility and all other front office duties.
3. Same as 2. above.
4. Unit Clerk - transcribes doctor's orders, assists in ordering lab work, answers phone, any other clerical work necessary.
5. Administrator - assist Executive Director in carrying out the functions of operating the PHP.
6. Executive Director - responsible for entire operation of the PHP organization.

7. Office Manager - Supervises entire staff of office personnel, generates all billing tasks, organizes office operations, devises office procedures, coordinates all front and back office activity.

8. Ward Clerk - coordinates admitting and discharge schedule with the physicians and hospitals for the medical group.

9. Consultant - provides specific expertise on a contractual basis to one or more PHP's in the State of California.

Chart 3-1 illustrates the employment status of all 22 program graduates. To help us facilitate our overall evaluation, we have generated an active follow-up program so that we may study the progress of our graduate students. Once the students have been successfully placed, we contact them by mail after thirty days, after ninety days, and after six months. An additional follow-up is planned for an interval of one year as well. At the same time that the student is contacted, the employer is contacted as well to get further input and ideas on the student and the course curriculum that led to placement.

CHART 3-1

POSITIVE STUDENT TERMINATIONS

STUDENT	STATUS AT TIME OF GRADUATION	PLACEMENT SETTING	POSITION	DUTIES
1.	GRADUATE: AVAILABLE FOR PLACEMENT	PHP	COMMUNITY RELATIONS WORKER	LIAISON BETWEEN COMMUNITY AND PHP
2.	GRADUATE: AVAILABLE FOR PLACEMENT	PHP	MEDICAL RECEPTIONIST	a. FRONT OFFICE DUTIES b. CHECKING PATIENT PHP ELIGIBILITY
3.	GRADUATE: AVAILABLE FOR PLACEMENT	PHP	MEDICAL RECEPTIONIST	a. FRONT OFFICE DUTIES b. CHECKING PATIENT PHP ELIGIBILITY
4.	GRADUATE: AVAILABLE FOR PLACEMENT	PHP	UNIT CLERK	a. CLERICAL b. TRANSCRIBES DOCTOR'S ORDERS c. ORDERS LAB WORK
5.	GRADUATE: AVAILABLE FOR PLACEMENT	MEDICAL GROUP	ADMINISTRATOR	a. ASSISTS EXECUTIVE DIRECTOR b. MONITORS ALL FACETS OF PHP OPERATION
6.	GRADUATE, AVAILABLE FOR PLACEMENT	PHP	EXECUTIVE DIRECTOR	RESPONSIBLE FOR ENTIRE OPERATION OF THE PHP ORGANIZATION
7.	GRADUATE: AVAILABLE FOR PLACEMENT	PHP	OFFICE MANAGER	a. SUPERVISES ALL FRONT OFFICE PROCEDURES b. COORDINATES FRONT AND BACK OFFICE ACTIVITY
8.	GRADUATE, AVAILABLE FOR PLACEMENT	HOSPITAL	WARD CLERK	COORDINATES ADMITTING AND DISCHARGE SCHEDULES

CHART 3-1 con't.

STUDENT	STATUS AT TIME OF GRADUATION	PLACEMENT SETTING	POSITION	DUTIES
9.	GRADUATE: AVAILABLE FOR PLACEMENT	PHP	SECRETARY	ASSISTS PHP ADMINISTRATION
10.	GRADUATE: AVAILABLE FOR PLACEMENT	PHP	INDEPENDENT CONSULTANT	PROVIDES CONSULTATION ON A CONTRACT BASIS
11.	GRADUATE: CALLED BACK TO PRIOR PLACE OF EMPLOY-MENT			
12.	GRADUATE: AVAILABLE FOR PLACEMENT	PHP	ENROLLMENT COUNSELOR	a. ENROLLS MEMBERS b. MAINTAINS COMMUNICATION WITH ALL PERSONS ENROLLED
13.	GRADUATE: AVAILABLE FOR PLACEMENT	PHP	ENROLLER	ENROLLS MEMBERS INTO PHP

CHART 3-1 con't

14.	GRADUATE: UNAVAILABLE FOR PLACEMENT--PHYSICAL REASONS			
15.	GRADUATE: CALLED BACK TO PRIOR PLACE OF EMPLOYMENT			
16.	GRADUATE: CHOSE TO STAY WITH PRESENT POSITION			
17.	GRADUATE: TOOK PROGRAM FOR ENRICHMENT ONLY--NOT AVAILABLE FOR PLACEMENT			
18.	GRADUATE: TOOK PROGRAM FOR ENRICHMENT ONLY--NOT AVAILABLE FOR PLACEMENT			

CHART 3-1 con't

STUDENT	STATUS AT TIME OF GRADUATION	PLACEMENT SETTING	POSITION	DUTIES
19.	GRADUATE: TOOK PROGRAM FOR UPWARD MOBILITY IN PRESENT JOB.			
20.	GRADUATE: HAD NUMEROUS JOB INTERVIEWS, NOT ABLE TO BE PLACED TO DATE			
21.	GRADUATE: HAD NUMEROUS JOB INTERVIEWS, NOT ABLE TO BE PLACED TO DATE			
22.	GRADUATE: HAD NUMEROUS JOB INTERVIEWS, NOT ABLE TO BE PLACED TO DATE			

CHAPTER FOUR

CONCLUSIONS AND RECOMMENDATIONS

Program Modification

In view of all of the elements discussed in the preceding three chapters, it is felt that the following modifications should be built into the program prior to any attempts for reactivation. It would be more appropriate for the selection criteria to be more carefully defined in terms of educational and professional background prior to program application. Specifically, it is possible to take another approach in designing the curriculum to meet the needs of a student population when the student's prior experiences are so grossly varied. This means that additional considerations, such as level of education and aptitude should be a part of the selection makeup, thus enabling a curriculum to serve a larger portion of the student population. This in itself could be a contributing factor in promoting a reduction of the attrition rate. With respect to program makeup, and based on the success of other contracted programs previously conducted by the Contractor, it was discovered that condensation of the six-month program into an intensive four months would serve to

1. Maintain student interest and motivation,
2. Alleviate some of the loss of goal orientation derived from an elongated program,
3. Deter the attrition rate factor, and
4. More readily and immediately place graduates into the job market.

Insofar as curriculum design is concerned, it has been concluded that though the rationale behind a comprehensive, all-encompassing curriculum is of a positive nature, it would be of additional benefit to the student populace to adopt a modified "core" approach. To illustrate, the term of training would be divided into two semesters. The first semester would involve the basic general education, or core classes. In addition, during the first semester, the students would be oriented to elective, health program related subjects. Upon the dual completion of Semester One and the Orientation Program, The students would select from the elective subjects the courses that most closely fit their interests.

Semester Two would then consist of an intensified training program in the selected elective areas, as well as an elongated (three-week) interim placement. This would serve to further enhance the educational picture in light of the growing accepted practice of "learn by doing" in deference to conceptual classroom education. The student would be allowed the freedom to participate in his elective courses at his own pace with a maximal termination point of four months. That is to say that should a student meet program requirements prior to the four-month completion date, he would be graduated from the program, and proceedings toward placement would begin immediately.

In effect, what has been emphasized is that the comprehensive approach to manpower training and development is one with merit. However, in all fairness to both the student and the job market, should an individual express a desire for specific training, and/or demonstrate

aptitude and proficiency in a given area, that person should be given the tools to make his or her strivings possible.

By maintaining a curriculum of core subjects and utilizing that as a basis from which to develop expertise more fully, in no way would the students' employability be limited. On the contrary, the student would be allowed freedom of choice, and along with the Placement and Vocational Counselors, would be allowed to select reasonable career goals and then set forth on the task of training to meet the objectives.

Community and Media Influence

The fall of California PHP programs into community and media disfavor was earlier alluded to in both the Foreward and Chapter Two. This disfavor was exemplified in several areas.

1. The medical community
2. Welfare Rights Organizations
3. Health coalitions
4. The Department of Social Services
5. The media
6. Communities served by the PHP programs
7. The Office of the Attorney General

For the purpose of this evaluation, the medical community's reaction to PHP programs will be appraised from two standpoints, the first being medical societies, and the second being private and group practice physicians in the PHP area who were not participants in PHP programs.

It is of historical note that medical societies have been basically opposed to government sponsored health programs. The reaction to the California PHP program was not an exception to this rule. The experienced philosophy of medical societies has consistently evolved around the concept of professional autonomy.

In California, the medical societies represented the first organized affront to the PHP delivery systems. A number of the medical group contractors with the State PHP programs were headed by physician non-members of said medical societies. It was felt by these medical societies that these physician groups were led by the entrepeneurs of the practice of medicine. This allegation established an area of confrontation between the California State Department of Health PHP Bureau and the medical societies.

At that time the attack was aimed at the alleged inadequacies of medical services. Many of these allegations were supported by investigative findings. Whereas these findings were not widespread, they consisted of the following examples:

1. Medical facilities closed during normal business hours
2. Medical facilities open without physicians in attendance
3. Overutilization of habitualgenic drugs
4. Underutilization of hospitals, specialty physicians, and non-physician providers
5. Alleged unacceptability of primary care medical facilities in terms of waiting room space, cleanliness and adequately trained personnel

The preceding areas of expressed dissatisfaction by medical societies formulated the grounds for alleged coalition activities which will be expressed as the efforts of Welfare Rights Organizations and Health Coalitions are considered.

The private and group practice physician opposition was germinated in the PHP service areas. These physicians, being non-participants in the various PHP programs were obviously concerned about the threat to their own medical practices. Further, they felt that due to PHP programs, inadequacies they were often called upon by members of the programs to render medical services. More specifically, their concerns can be demonstrated in the following areas:

1. Due to the physicians' medical practice being located within PHP program service areas there was the continuing threat and actual loss of their own patient load to the programs.

2. Many of the PHP programs were controlled and administered by physicians which had no contact with the community other than to deliver medical services.

3. Often patients who formerly had received medical services from the non-participant physicians or physician groups would join the PHP program in the area and then return to the non-participating physician for routine medical services for which the physician group would not be reimbursed.

4. Often the non-participating physician or physician group would be called upon to intercede in his patient's behalf to ward off alleged malfeasant marketing approaches.

The preceding describes some of the basic major concerns as the medical community interacted with California prepaid health programs.

The reactions of the Welfare Rights and Health Coalition organizations to the PHP programs were outwardly evidenced in the following manner:

1. The mobilization of the membership of these special interest factions into the conducting of seminars, mass mailings and public hearings in total opposition to PHP programs and operations

2. The enlistment of legal aid societies to speak out in opposition to PHP malfeasance in contract compliance

3. The alleged financial backing and verbal support of medical societies' position toward PHP program administration and operation

4. The active disenrollment of PHP members

Welfare Rights groups and Health Coalitions often demanded hearings with PHP organizations with the express purpose of investigating and evaluating program procedures. The thrust of all Welfare Rights and Health Coalition activities had been to dramatize program deficiencies and non-compliances.

It should be noted that the Department of Social Services had a basic philosophy of neutrality as it related to preferred health delivery systems. The department did however experience problems with beneficiary caseworker actively opposing client participation in PHP's. This opposition was experienced by caseworker actually telling Medi-Cal beneficiaries not to participate in PHP programs.

It should also be noted that whereas PHP programs were geared specifically to Medi-Cal beneficiaries, the Department of Social Services made minimal efforts toward educating their caseworkers as to the impact of this program on their daily activities.

The media disfavor was essentially a mass communication expression of the preceding factions. This communication was disseminated through

major community newspapers, radio and television. This dissemination of information was to a point that certain reporters could be identified with the thrust of media dissatisfaction. Also at this time there was little or no positive evaluation given to the PHP health delivery concept.

The germination of community disfavor with PHP's was directly related to abuses in marketing techniques. It was found that there were numerous instances of high pressure sales techniques used in the marketing program. Marketing representatives would threaten potential members with the loss of Medi-Cal benefits if they did not join a particular PHP program. Abuses also were noted in the promising of non-existant services and benefits. There were numerous other examples of malfeasance in the marketing activity.

Such community-based organizations as churches, service clubs, and Parent Teacher Organizations (PTA) grew increasingly negative to the practices noted. The attitude of these groups further developed to a point that their verbalized evaluation of PHP programs was "a rip-off." Their dissatisfaction was exemplified in picketing of medical facilities, administering physical abuse to medical providers, and plan participants as well as further numerous threats of physical damage to both personnel and facilities. The above statements exemplify the growth of mistrust and suspicions as they relate to PHP programs.

The Role of the Attorney General

Pursuant to the Knox-Mills Legislation, the Attorney General's office was established as the policing authority for PHP contract compliances.

The original visible involvement of the Attorney General's Office came with the investigation into publicized unethical and illegal marketing activities of the PHP programs. Essentially the profile of the Attorney General's office as it related to PHP program development was low. However, in recent months, the Attorney General's Office has become quite evident in PHP program evolution. This new image by the Attorney General's Office could have possibly been germinated by the reported and substantiated high allocations of monies to administration. This statement is being made in noting the Attorney General's recent prosecutions, pursuant to PHP programs non-contractual compliance to the "net tangible equity" stipulations in the Knox-Mills Legislation.

The Need for Program Name Change

All of the above considerations made applied to the attrition factors experienced by this Contractor in the administration of the contract. Another consideration made due to the negative publicity attributed to the PHP program was a change in name of the course curriculum. Unfortunately, a realistic consideration of such a move was not feasible due to the stage of completion already experienced by the program when the publicity's effect reached its peak. In considering the change of the name of the program from PHP and "PHP and HMO Training" to "Health Delivery Systems Training," the objective is to negate any further possibilities of limiting employability. The present title can be counter-productive to program goals in that it does not allude to the fact that fee-for-service health delivery systems involve a large portion of both the present and core curriculums.

Student Stipends

An additional factor of critical importance that should be considered prior to beginning another training program, is the necessity of student stipends. This in no way is a situation that should be taken lightly. After hosting several manpower training and development programs, some with stipending and some without, this Contractor concludes that stipends are vital contributing factors to program population maintenance. Such training prgrams are designed in manner so as to involve the majority of a working day, thus inhibiting students from being able to maintain a regular full-time position and income.

Due to the degree of professionalism sought by the health care industry, many students enrolled are people who have been functioning in the business world for some time and wish to enroll for either further training or re-training. Thus, a typical student more often than not, will be one with numerous family and financial responsibilities. The Contractor has noted that without financial assistance throughout the duration of the program, many students must regretfully withdraw. Experience has indicated that programs that are budgeted to include stipends such as the Comprehensive Employment and Training Act (CETA) Programs, produce a much lower rate of attrition and a much higher rate of daily attendance.

In conclusion, it is the feeling of the Contractor that with the acceptance of the recommendations presented in this paper, additional programs would not only be possible but highly successful, and accomplish several tasks. First, the competencies derived from the

intensified training would serve to enhance and lend credibility to the entire health care service industry, particularly prepaid programs. Second, placement of such trained individuals will assist in ensuring program longevity. Third, the training, re-training and placement of program graduates will lend an overall assistance to the job market and thus the economy as a whole.

APPENDICIES

APPENDIX A

PRESS RELEASE

STATE OF CALIFORNIA DEPARTMENT OF HEALTH

HEALTH AND WELFARE AGENCY

STATE OF CALIFORNIA

HEALTH AND WELFARE AGENCY

OFFICE OF THE SECRETARY

915 CAPITOL MALL, ROOM 200
SACRAMENTO, CALIFORNIA 95814 (916) 445-6951

DATE: June 26, 1975

FOR RELEASE: IMMEDIATE

CONTACT:
Bob Nance
(916) 445-1967

Secretary of Health and Welfare, Mario Obledo, today announced the termination of Prepaid Health Plans.

In its place, Obledo stated, the Health Department will initially fund a small number of Institutes for Medical Service pursuant to the attached Nine-Point Plan.

The cornerstones of these Institutes will be:

a. Consumer controls and Consumer Bill of Rights;

b. Participation by all members of the public (not just Medi-Cal recipients);

c. 24-hour service;

d. Effective preventive health programs; and

e. Continuity of services and guaranteed access to emergency care.

Obledo stated that the goal of quality care will not be achieved at a price that society could afford without tough financial and conflict-of-interest requirements. Therefore, all Institutes will be subject to:

1. Tight lids on administrative costs;

-MORE-

2. Frequent scrutiny, including on-site examinations and verifications of financial and medical records by a team of Certified Public Accountants and other specially-trained auditors.

In addition, Obledo stated that no government employee will be able to profit directly or indirectly and that every Health Department employee involved in handling matters relating to the Institutes will be required to fully disclose any direct or indirect financial interest.

"In general, Prepaid Health Plans as operated did not and do not meet our standards for integrity and quality care. The State should not tolerate fraud, misrepresentation, or political influence in the operation of health services or any other services. The Institutes for Medical Service are designed to prevent the recurrence of unacceptable practices.

"It is expected that few of the existing Prepaid Health Plans will be able to meet the strict standards necessary for qualification as an Institute.

"We will start slowly and build anew. Integrity, adequate care, and the absence of political influence will be the hallmark of the Institutes.

"In setting up the Institutes, we are warning those that seek to profit from human illness to go elsewhere -- the State does not want to and will not deal with them. Only those physicians who put health signs above dollar signs should consider applying.

"Medi-Cal costs have soared while service has declined. In the last eight years, Medi-Cal costs have risen more than two-fold. The Institutes, which will receive at least 10% less than is paid to physicians under fee-for-service, may assist in controlling costs, and are specifically designed to guarantee an adequate level of care."

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The new 9-point Institutes for Medical Service program will have these following guidelines:

1. Consumer Controls and Bill of Rights

A requirement that Institutes for Medical Service boards of directors be composed of a minimum of 1/3 consumers and of public members with no direct financial involvement in the program. Providers/employees will serve as staff to the board and the Executive Director of the institute will be an ex-officio nonvoting member of the board; a detailed Bill of Rights will be sent to each member upon enrollment and conspicuously posted in every clinic and hospital.

Former Policy or Practice:

No policy whatsoever on consumer involvement; widespread confusion and eventually hostility from plan members who could not obtain services or explanations.

2. Effective Preventive Medicine

Preventive care will be a new mandatory component in every funded health plan. This will include incentives for providers to offer physical examinations to members at entrance to the program, to provide medical innoculations, and to conduct outreach educational programs on disease prevention practices.

Former Policy or Practice:

No effort by Department of Health to encourage or check for provision of preventive care or health education.

3. Guaranteed 24-Hour Service

Emergency care will be assured through requirements which will provide for on-duty, available physicians around the clock.

Former Policy or Practice:

Though required, many plans evaded and Department of Health did not enforce.

4. Tight Lid on Administrative Costs

There should be a 12 percent administrative cost limit on established group plans to ensure that money appropriated goes to services for the members; during the early period, when plans are organizing and attracting members, greater leeway to approximately 25 percent will be given.

Former Policy or Practice:

No prior guidelines or audit; Auditor General reports plans with administrative costs exceeding 50 percent.

5. Systematic Scrutiny to Ensure Quality Medical Care

At point of application, vigorous attention will be paid to plan capacity and intentions. At least every six months, the Department will systematically scrutinize medical records, and charts, facility maintenance and capability, licenses, X-ray, labs, and physiotherapy, appointment logs and patient flow, number of operations, dental records, and use of drugs and medicine to assure quality medical care. Both doctors and patients will be interviewed. Spot checks of reported items will ensure veracity. Data will be cross-checked with fee-for-service and with other private prepaid health plans to ensure that needed quality care is being provided.

5. Continued

Instead of relying solely on the audits done by auditors paid for by the provider, the Department of Health Certified Public Accountant and medical professionals and auditors will conduct on-site examinations and verifications of financial and medical records of providers and their subcontractors. Deviations from expected norms will be thoroughly and promptly investigated by investigative units with broad authority. Sanctions leading to termination or referral to appropriate law enforcement agencies will be imposed as appropriate for verified violations.

Former Policy or Practice:

Lack of standards -- not outcome-oriented. No cross-checks; no Department of Health Certified Public Accountant auditing.

6. Strict New Conflict of Interest and Fraud Prevention Standards

Every Health Department employee involved in processing plans will be required to fully disclose any direct or indirect financial interest or family relationship with any applicant for funds. Contractors and sub-contractors will similarly be required to disclose financial and family interests in every contract and subcontract and to make all relevant records available for Department of Health inspection.

Former Policy or Practice:

No enforced controls; one enroller indicted for fraud -- others convicted. Attorney General investigating other allegations of fraud and conflict of interest.

7. Only Group-Oriented Institutes

Only stable, multi-specialty group practices (like Kaiser) or community-wide foundations for medical care (except in demonstration or experimental projects) will be qualified to participate.

Former Policy or Practice:

Contractor allowed to arrange services through solo practitioners; no required weekly time commitments.

8. Incentives for Continuity of Service

Discussions are underway with Health, Education, and Welfare to obtain approval to conduct a pilot project with plans in which every beneficiary will be assured 12-month eligibility upon enrolling. This is an important incentive to providers and beneficiaries and should result in administrative cost savings to the plan and to State and Federal Government.

In addition, the Department of Health will seek new legislation and work with Health, Education, and Welfare to attempt to provide seed money loans to emerging community-sponsored health plans.

Former Policy or Practice:

Department of Health indifferent to problems caused by fluctuating enrollment and eligibility determinations.

9. Open Enrollment for General Public

New institutes will be strongly encouraged to seek members from the general public as well as the Medi-Cal beneficiary population. By the third contract year, institutes will be encouraged to have a membership mix of not more than 50 percent Medi-Cal.

9. Continued

Former Policy or Practice:

No active efforts to motivate plans to enroll from the private sector.

A chart comparing the old PHP program and the new Institutes for Medical Service program follows:

Area of Concern	Old Program -- Prepaid Health Plans	New Program -- Institutes for Medical Service
Providers	Legal requirement for at least 5 full-time equivalent physicians.	Guideline: 7 full-time physicians minimum*
	Relationship of providers to plan and patient not defined.	Guideline: Physicians may be either salaried or capitated, but fee-for-service income must be pooled.
	Contractor allowed to arrange for services through solo practitioners. No required weekly time commitments.	Guideline: Service site must have at least three physicians practicing, with at least one on duty during working hours.**
	No assurance that plan hospitals would have services required by enrolled population.	Guideline: Hospitals must provide services commensurate with enrollee's needs (e.g., pediatric and obstetrics services available for AFDC based plans).
		Guideline: Hospital must be conveniently located within the service area.
	PHP required to have licensed pharmacy.	Guideline: Each plan must have the services of a licensed clinical pharmacist to coordinate patient drug records.
		Guideline: To the maximum extent possible, each plan should utilize the services of physician extenders, especially for well physical examinations.
		Guideline: Each plan will have an approved program for professional education as verified by a contract management team in cooperation with the Department Medical Consultant.

* Implies a patient base minimum of 10,000, given legally required ratio of 1 physician for each 1,200 patients, prepaid and fee-for-service.

** Implies contracts with group practices and clinic-based organizations only since independent practitioners may not be able to comply.

Area of Concern	Old Program -- Prepaid Health Plans	New Program -- Institutes for Medical Service
Consumer Participation	No requirement or encouragement for consumers to participate on advisory or policy-making boards.	Guideline: Institutes will be required to establish boards composed of at least one-third consumers and the remainder of public members with no direct financial involvement in the program.* Waiver of this requirement will be granted only for proven existing group plans which have successfully utilized other mechanisms to guarantee meaningful consumer participation. Providers/ employees will serve as staff to the board and the Executive Director of the Institute will be a non-voting, ex officio member of the board.
	Required grievance procedure per plan. PHPs unevenly checked for compliance. No formal guidelines issued.	Guideline: Each plan must have an approved grievance procedure in operation. At least 50% enrollee representation required. Performance Assurance: Contract manager regularly checks files of grievance cases. Contacts enrollee for satisfaction with outcome. Disenrollments will be screened to assure processing through grievance procedure.
	PHP not required to show evidence of community acceptance.	Guideline: Each contractor and potential contractor must present letters of support from community groups and members of the community before contract will be renewed or let. Performance Assurance: The Department of Health will check credibility of support through its own community contacts.

* For-profit Institutes (a limited number may be funded) which cannot comply with the one-third board membership requirement must have an advisory committee composed 100% of enrolled members, with at least one-third Title XIX enrollees. Advisory committee must be democratically selected and provided with funds by the plan for technical assistance/staffing.

Area of Concern	Prepaid Health Plans	Institutes for Medical Service
Marketing - Disenrollment	The Department of Health evaluated validity of each disenrollment request. Enrollee had to go to PHP to disenroll; long delays in processing were common.	Guideline: Enrollee has a 30-day cooling-off period in which to disenroll without cause. After the 30-day period, disenrollment requests will go to the Institute's grievance committee for possible resolution. If not resolved, they must be submitted promptly to Department of Health for action
Preventive Care	Prior Department of Health policy was to discourage preventive health care.	Guideline: Department of Health approved program mandated for preventive health care and patient education at each Institute. Follow-up and/or referral required for patients with on-going conditions, those who have received emergency care and those in need of dental treatment. Performance Assurance: The Department of Health will provide criteria for model health education and preventive care program. Contractor will report specific utilization. Medical audit will track referrals and outreach efforts through medical records and interviews with enrollees. Guideline: For each new enrollee during the 30-day cooling-off period, and annually thereafter, the Institute will offer a physical examination as part of the preventive health care program. In order to encourage maximum utilization, new enrollees will be urged to go to the plan during the 30 days for a physical, and the plan will be paid for these "30-day period" physicals on a fee-for-service basis by Medi-Cal. Performance Assurance: Medical audit and Department of Health spot checks will verify practice.

Area of Concern	Old Program -- Prepaid Health Plans	New Program -- Institutes for Medical Service
Emergency Care	Plan must provide and/or pay for emergency services. Plan could determine extent of its liability for services provided by county or other non-plan emergency facility. Acceptable for physician to be available by telephone. Department of Health took hands-off attitude toward both availability of guaranteed services and legitimacy of out-of-plan claims. No formal review of emergency services.	Guideline: A physician must be at each of the Institutes 24-hour emergency facilities at all times. Guideline: The Institute must have written agreement with non-institute emergency rooms specifying procedure for accepting and treating enrollees. Guideline: The Institute will provide round-trip transportation to and from emergency facility if requested by patient. Performance Assurance: Emergency services included in integrated medical record. Reviewed by medical audit team. Contract management verification of availability of services and ready treatment.
Service Utilization Data System	Required submission of monthly summary report of services delivered. No Department of Health validation of information reported. Data reported was not compared to known experience of other recognized prepaid health care delivery systems. Manual data processing system at Department of Health; 7-month delay in report production. Inflexibility in face of changing information needs.	Guideline: Institute must submit itemized records of services rendered to enrollees on a quarterly basis. Performance Assurances: Department of Health will compare patient profile of service items reported with patient medical record to ensure completeness and accuracy. Department of Health will develop and apply service utilization norms and investigate significant deviations in Institute utilization reports. Department of Health will develop and implement a fully automated data processing system capable or rapid, flexible reporting.

Area of Concern	Old Program -- Prepaid Health Plans	New Program -- Institutes for Medical Service
Financial Audit (Fraudulent use of funds)	No way to detect skimming of capitation funds from non-profit shell organization to for-profit subsidiary subcontractor. No Department concern as long as plan gave appearance of providing adequate services. No access to subcontractor financial information.	Guideline: Subcontractor financial information must be available to Department of Health to show use of capitation funds for subcontracted services.
	Financial security of PHP evidenced by meeting Knox-Mills $10,000 requirement for tangible net equity and by obtaining security in State's name in amount equal to monthly capitation.	Guideline: Institute must submit acceptable evidence of solvency, in addition to previous requirements, through a detailed financial plan with growth and expense projections.
	Independent audit by C.P.A. required. Quarterly cost reports from plan. Reviewed by generalist staff.	Performance Assurance: Audit by Department C.P.A. to determine that monies are being spent for legitimate purposes and that Institute is solvent.
Conflict of Interest	Required disclaimer of conflict of interest to be signed by principals of plan. No disclaimer by DOH staff required.	Performance Assurance: Disclaimer of financial or familial conflict of interest must be signed by any employee in Department of Health who has any involvement with plan contract process.
	Conducted background checks for criminal record and provider status.	Guideline: Department of Health will not approve providers who are currently on review under Medi-Cal, have ever been suspended from Medi-Cal, have any felony convictions, or have been the subject of disciplinary action by their licensing boards.
		Performance Assurance: Annual recheck of contract principals and providers.

Area of Concern	Old Program -- Prepaid Health Plans	New Program -- Institutes for Medical Service
Experimental Projects	"Experimentation" limited to claims-processing contracts with large provider groups or fiscal intermediaries (CDS, PAID) and franchises for geographical areas awarded to medical establishment foundations.	DOH will actively encourage project contracts with promising organizations which may meet health service needs by: • Developing of consumer-controlled or community-based health plans which utilize public facilities or organize regionally. • Developing of contracts with teaching and district hospitals for hospital-based group practice contracts. • Developing of state-administered, rural health service. • Testing new procedures or systems (such as new marketing concepts, enrollment stabilization projects.

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NOTE: The guidelines of the new program will be implemented on a graduated time schedule from immediately to 18 months. Implemented immediately will be the 30-day cooling-off period for new enrollees, the requirement that Institutes introduce new enrollees into the service program during their 30-day cooling-off period by offering physical examinations, and the requirement that a physician be on-duty at a plan 24-hour emergency facility. Within 60 to 90 days, plans will have to evidence compliance with new provider and facility standards, consumer participation efforts, marketing rules, and other prescribed guidelines. Quality of care criteria and data reporting systems will require 12-18 months to be fully implemented with components installed as they are developed over the time schedule.

APPENDIX B

STUDENT OUTREACH ADVERTISEMENTS

H.M.O.
MANAGEMENT
INC.

PUBLIC SERVICE ANNOUNCEMENT

ORGANIZATION

H.M.O. Management, Inc.
3630 Wilshire Blvd.
Los Angeles, Calif. 90010
(213) 389-3111

CONTACT

Anton Hull
Outreach Program
Director

Start Date: Sept. 29, 1974

Stop Date: Oct. 6, 1974

READING TIME = 20 SECONDS

FREE CAREER OPPORTUNITIES!

H.M.O. MANAGEMENT, INC. IS NOW OFFERING A SIX MONTH COURSE WHICH PREPARES INDIVIDUALS FOR LONG RANGE ADMINISTRATIVE AND SUB-PROFESSIONAL CAREERS IN THE HEALTH CARE INDUSTRY.

FOR GREATER DETAILS CALL MR. HULL AT 389-3111, THAT'S 389-3111.

H.M.O. MANAGEMENT, INC. IS A RACIALLY NON-DISCRIMINATORY ORGANIZATION.

Home Office
3630 Wilshire Boulevard
Los Angeles, California 90010
(213) 389-3111

257 National Press Building
Washington, D.C. 20045
(202) 347-4299

TEL SALES
10 PROOFS *937391
MISS GILBERT - 421 - 12/31/74

ATTENTION

PHP's & HMO's

Do you need qualified administrative personnel?

HMO MANAGEMENT INC.
has a comprehensive ongoing training program which offers its students the technical skills & experience in the administrative processes of PHP's & HMO's & the medical profession as a whole.

Our successful graduates are offered to you for career placement at no cost.

For further information call
Ms. Barbara Harris at

389-3111

HMO management is a non-discriminatory organization.

FREE

CAREER OPPORTUNITIES

The Dept. of Health, Education and Welfare, through H.M.O. Management Inc., offers—free of charge — training for administrative positions in the prepaid health and health maintenance organization field.

This is a six-month course. For more information come in or call: Mr. Arthur Hull at 3630 Wilshire Bl., L.A.
213/389-3111
(anytime Mon. thru Fri.)

LIMITED ENROLLMENT
ENROLL NOW

H.M.O. Management Inc. is a non-discriminatory organization.

H. M. O. MANAGEMENT INC.

3630 Wilshire Boulevard – Los Angeles, California 90010 – (213) 389-3111

257 National Press Building – Washington, D.C. 20004 (202) 847-4299

October 1974

Dear

I am writing this letter at your request to better familiarize you with our six month training program and its goals. H.M.O. Management, Inc. is a Management and Consultant Firm, more specifically consulting to H.M.O. and P.H.P. Health Care Delivery systems. H.M.O. Management, Inc. subscribes to the policy of "well-trained and competent personnel in the health profession". Therefore, in keeping with this policy, we have developed this training program, through local, state, and federal assistance, with definite appropriate career goals. Areas covered in the H.M.O. and P.H.P. course curriculum are: Marketing, Professional Services, Management Principles, P.H.P. and H.M.O. Organization, Medical Terminology, Communication, Finance, Statistical Reporting, Billing, Accounting, Community Relations, Social Demographic Ananlysis. In general, the program is designed to give job entry skills and experience in the administrative processes of Health Maintenance Organizations, Pre-paid Health Plans, and the medical profession as a whole.

The training program is on going at present and has just finished the orientation phase. The training is from 9:00A.M. to 1:00P.M. daily, and is free of charge to the trainee. We will accept late enrollment into the program up to the 16th of October.

I am awaiting word from you concerning prospective applicants wishing to take advantage of this course, and in doing so, becoming a valuable asset to any Pre-paid Health Plan.

Respectfully yours,

Arthur E. Hull

AEH:kr

APPENDIX C

STUDENT SELECTION

H.M.O. MANAGEMENT, INC.

ENROLLMENT APPLICATION

DATE _____ PRIORITY NUMBER _____

PROJECT _____ I.D. NUMBER _____

APPLICANT: _____ _____
(Name: Last First Middle) (Place of Birth)

ADDRESS: _____ PHONE NO. _____
(Street City Zip)

SOC. SEC. # _____ DATE OF BIRTH _____ AGE ___ SEX: F _____ M _____

HECK APPROPRIATE BOXES:

☐ Veteran	☐ Separated	☐ Mex. Amer.	☐ Black	☐ Pac. Islander (Specify)
☐ Single	☐ Divorced	☐ Puerto Rican	☐ Amer. Indian	☐ Asian (Specify)
☐ Married	☐ Widowed	☐ Caucasian	☐ Latin (Specify)	☐ Other (Specify)

Spouse's Name: _____ Specify: _____

Branch of Military Service _____ Highest Rank or Rate _____

Date: From _____ To _____ Type of Discharge _____

Name of Last School Attended: _____

Location: _____ Degree: _____

Did you Graduate: ☐ Yes ☐ No Date Last Attended: _____ Years. comp: _____

In School Now: ☐ Yes ☐ No If yes, Hours Per Week _____

Type of School: ☐ Adult ☐ Continuation ☐ Other _____

Height _____
Weight _____
Color of Eyes _____
Color of Hair _____

Physical Condition(Please Describe Fully any Physical Impairements or Injuries)

_____
_____
_____

In Case of Illness or Emergency, Notify: _____ _____
Name Relationship

_____ _____ _____ _____
Address City State Phone Number

P-02/F

H. M. O. MANAGEMENT, INC.

Prevocational Inventory

Name _____ Date _____

Address _____ City _____ State _____ Zip _____

Age _____ Place of Birth _____

1. Circle the last year of school completed
   Lower 9 10 11 12 13 14 Higher

2. If high school was not completed, please indicate reason. If other, explain.

   (A) Didn't like school..... ☐
   (B) Had to work..... ☐
   (C) Courses were too difficult..... ☐
   (D) Other..... ☐

3. Are you presently attending any other type of school or training program?
   Yes____ No____

   If yes, give:

   Name of School or Training Program _____ Location _____

4. How did you find out about this training program?
   Please indicate. If other, explain.

   (A) Newspaper..... ☐
   (B) Radio..... ☐
   (C) Television..... ☐
   (D) Friend..... ☐
   (C) Other..... ☐

WORK EXPERIENCE-LIST MOST RECENT JOB FIRST

FROM MO.	FROM YR.	TO MO.	TO YR.	COMPANY NAME AND ADDRESS	TYPE OF WORK	RATE OF PAY START	RATE OF PAY FINAL	REASON FOR LEAVING

AMILY SIZE _____ (Family includes all persons living in the same household related to each other by blood, marriage or adoption).

O. OF CHILDREN _____

HOUSEHOLD INCOME - MONTHLY	IF LIVING WITH PARENTS	NOT LIVING WITH PARENTS
ALARY BEFORE ANY DEDUCTION: (from blood relatives, spouse or self, only)	Father's $ Mother's $ Brothers/Sisters at home $	Head/Household $ Other members $ Spouse $ Applicant $
ELFARE	$	$
ENSION (specify)	$	$
OCIAL SECURITY (In Dollars)	$	$
THER (specify, e.g., unemployed, nsurance, veteran benefits, child upport, alimony, etc.	$	$
OTAL FOR ABOVE	$	$

IF UNDER 21 YEARS OF AGE, PLEASE ANSWER QUESTIONS BELOW.

	NAME OF PARENTS	PLACE OF EMPLOYMENT	TYPE OF WORK
r.			
rs.			

IVING WITH PARENTS: Yes ___ No ___. If no, give head of household with whom living. e.g., guardian, another family, relatives, spouse or self, if living alone).

(Name & Relationship) (Where employed)

PARENT CONSENT FORM

ame _____, may participate in all activities and outings including Bus rips to recreational facilities in the Greater Los Angeles area, which are official functions of the following project _____
In the event of any emergency requiring medical attention, I do hereby authorize and give consent for medical treatment.

Applicant Signature

Parent or Guardian Signature

5. What do you expect to gain from this training program? Please indicate. If other, explain.

(A) Short-term career objective..... ☐
(B) Long-term career objective..... ☐
(C) Additional information..... ☐
(D) Other..... ☐

_____
_____
_____

6. If presently employed will your working schedule conflict with your school schedule? Yes___ No___ If yes, explain.

_____
_____
_____

7. Will you have a problem with transportation getting to the training site? Yes__ No__ If yes, explain.

_____
_____
_____

8. How far away from the training site do you live? Please indicate.
3 mi____ 5 mi____ 7 mi____ 9 mi_____ 15 mi____ other_____

9. What type of transportation will you use to get to the training site? Please indicate. If other, explain.

(A) Automobile..... ☐
(B) Public Transportation..... ☐
(C) Other..... ☐

_____
_____
_____

10. Do you anticipate financial difficulties through the duration of the training program? Yes___ No___. If yes, explain.

Duration of Program:

(A) 4 months..... ☐
(B) 6 months..... ☐
(C) 8 months..... ☐
(D) 12 months..... ☐

_____
_____
_____

11. If parent, do you anticipate any difficulties with child care?
Yes___No___If yes, explain

_____
_____
_____

12. What is your anticipated career goal five (5) years from now? Explain.

_____
_____
_____
_____

13. What specific traits do you view as your assets? Explain.

_____
_____
_____
_____

14. What specific traits do you view as your liabilities? Explain.

_____
_____
_____
_____

15. Describe any interests or hobbies you may have.

_____
_____
_____
_____

APPLICANT'S INTERVIEW EVALUATION

DATE	NAME	Apperance	Communication	Attitude	Age	Vet	Overall Rating	BACKGROND	COMMENTS

APPENDIX D

CURRICULUM OUTLINE

Identification of Course Curriculum

BILLING

1. Fee-For Service

    A. Medi-Cal
    B. Medicare
    C. Workmen's Compensation
    D. Personal Injury
    E. Private/Group
    F. CHAMPUS
    G. Unions
    H. Credit/Life/Disability

2. State Disability

3. Pre-Paid

    A. Cross-over

4. Relative Value Studies

    A. 1964
    B. 1969

5. I.C.D.A. Codes

6. Indemnity/Service

    A. Blues
    B. Closed Panel
    C. Coordination of Benefits

7. Chart Construction

    A. Forms

8. Computer/Manual Visit Slips/Bills

9. Credit and Collection

OBJECTIVES:

To place the potential graduate in a position within a claims department in a medical facility or health delivery system as a biller, claims examiner, coder, etc., as to enhance the over-all knowledge and abilities of that graduate who is placed in other related supervisorial, managerial or clerical positions.

STATISTICAL REPORTING

1. State Requirements

    A. Utilization

    B. Contract

2. General Definition

    A. Purposes
    B. Functions

3. Reports generated by the State PHP Bureau

    A. Capitation Report
    B. Status Report
    C. Eligibility Listings

4. Internal Systems

OBJECTIVES:

To deliver a comprehensive understanding of the requirements of the State, how to extrapolate and report them, and how these and other statistics should be utilized by a PHP or other health delivery systems. The data obtained from Statistical Reporting is necessary for those graduates who will be placed in managerial and supervisorial positions. Additionally, it will prepare the graduate for placement as a Statistical Reporter.

MARKETING

1. Demographic studies

2. State Regulations

3. Enrollment

    A. Forms
    B. Disenrollment

4. Verification

5. Orientation

6. Competition

7. Overcoming Marketing Resistance

8. Marketing Leadership

9. Marketing Techniques

    A. Brochure and Literature Development

    B. Media Techniques

    C. Public Relations

        1. Community organizations/participation
        2. Labor Organizations

10. Description of Product

11. Organization of Sales Force

12. Development of Sales Techniques

13. Type of Compensation

14. Sales Force Composition in Terms of Age/Sex

15. Private Sector Marketing/Rates

16. Recruiting Providers

OBJECTIVES:

To make the student aware of all rules and regulations pertaining to California State pre-paid health plan contracts which will enable them to play a vital role in the development and expansion of a pre-paid health plan. Also, to be able to develop and market other pre-paid contracts within the private sector. The objective of this course is to place the graduate in a position as Marketing Director or Assistant Marketing Director.

ACCOUNTING

1. Debits/Credits

2. Assets/Liabilities

3. Capital

4. Revenue

5. Expenses

6. Accruals
7. Invoices
8. General Journals
9. Ledgers
10. Financial Statements
11. Personal/Business
12. Income Tax
13. Bookkeeping

OBJECTIVES:

This curriculum is designed to impart the basic, fundamental stratum of accounting tools and principles, with the singular purpose in mind of generating a prospective P.H.P. administrator or supervisor who has the ability to analyze and utilize financial information in a manner that will be conducive to the successful operation of his business. The graduate could also potentially be placed within the accounting department as an assistant bookkeeper.

P.H.P. LAW

1. Knox-Mills Legislation
2. PHP Contract
3. HMO Act, 1973
4. Title 18, 19, 20, 22
5. Provider Contract
6. Insurance Commission
7. Business and Professional Code

OBJECTIVES:

The purpose of this course is to expose the student to the various acts, laws and regulations which are applicable to the operation of health delivery systems. This information is vital to any job function into which the graduate may be placed within a pre-paid health plan.

MEDICAL TERMINOLOGY

1. Root Words
2. Compound Words
3. Abbreviations/Symbols
4. Prefixes/Suffixes
5. Medical Word Development System
6. Disease Identification
7. Anatomy/Physiology
8. Identification of class I through V diseases
9. Identification of 1+ through 4+ degrees of illnesses
10. English with Latin and Greek equivalents
11. Analysis of what constitutes a medical emergency

OBJECTIVES:

To enable the potential graduate to understand and relate medical terminology to both secretarial and medical staff. The information derived from Medical Terminology is necessary for those graduates who may be placed in a front or back office management or supervisorial position. In addition it will allow the graduate to perform as an intermediary between physician and staff within a health delivery system.

MEDICAL RECEPTIONIST

1. Front Desk Procedure
2. Patient Contact
3. Telephone Tech.
4. Chart Organization
5. Appointments
6. Filing
7. Eligibility Verification

A. PHP Patient
B. Union Patient

8. Cash over the Front Desk

9. Receipts

10. Type of Forms

11. Collections

OBJECTIVES:

To allow a potential graduate to gain a comprehensive understanding of front office, secretarial, and basic bookkeeping skills, and techniques of patient contact with respect to a pre-paid health plan program. This will facilitate placing a graduate in a front office, claims department, or reception area position.

PRINCIPLES OF HMO/PHP MANAGEMENT

1. Development of Management Concepts

   A. Functions of Management

   B. Organizational Objectives

   C. Organizational Planning

   D. Policies/Methods/Procedures

2. Legal Forms

3. Organizational Structure

4. Basic Concepts of Communication

5. Human Motivation/Morale and Productivity

6. Leadership

7. Systems Approach to Management

8. Development of PHP Program

9. Types of pre-paid plans

OBJECTIVES:

This course has been designed as an effective aid to the development of an understanding of the major functions of management and the skills that lead to the understanding of managerial effectiveness, in the H.M.O. or PHP organization in which the planning, organizing, directing, and controlling of activities are required. The study of the process of management is based on the assumption that there are common activities and skills that lead to managerial success in the H.M.O./ PHP industry.

COMMUNICATIONS

1. Differentiation Between Verbal/Written
2. Informative/Descritive
3. Oral/Graphic Presentation
4. Formulas for Effective Communication
5. Attitude Development
6. Memory Techniques
7. How to Conquer Fears and Make Them Work For You
8. Development of Human Relations
9. Development of Sales Presentation
10. Development of Self-Confidence
11. Development of Ability to Make Decision
12. Development of Personal Appearance
13. Job Preparation
    - A. Motivation
    - B. Completing job applications
    - C. Grooming
    - D. Employer/Employee rights
    - E. Work Habits
    - F. Unions
    - G. Job Search Techniques
    - H. Resume Development

OBJECTIVES:

To give the student a complete, comprehensive, practical working knowledge of the processes involved in personal and administrative communication in such a way that the student can apply this knowledge in any position in which he or she might be placed in a health maintenance organization or a pre-paid health plan.

TUTORING

Full Staff Covering All Students

APPENDIX E

STUDENT ORIENTATION PACKET

STUDENT'S PROJECT DIRECTORY

Title of Training Project: _____

Location of Training Site: _____

Project Director: _____

Program Coordinator: _____

Duration of Program: _____

Training Hours: _____

Holidays during the course of the training program: _____

_____

_____

_____

_____

_____

_____

Vocational Counselor: _____ Phone#: _____

Job Placement Counselor: _____ Phone#: _____

Tutoring Information Contact: _____ Phone#: _____

Supportive Services (i.e. child care services, transportation services, housing aid, etc.).
Contact Person: _____ Phone#: _____

H. M. O. MANAGEMENT INC.

3630 Wilshire Boulevard – Los Angeles, California 90010 – (213) 389-3111

257 National Press Building – Washington, D.C. 20004 (202) 847-4299

Dear Student,

Congratulations! You have just begun a course of instruction that has changed the lives of many men and women to a more productive and positive one.

This letter is to better familiarize you with the Training Program and its goals. As you were told in your interview, H.M.O. Management, Inc. is a Management and Consultant Firm, more specifically, in the Health Care Delivery industry. H.M.O. Management subscribes to the policy of "Well-trained and competent personnel in the health profession". Therefore, in keeping with this policy, we have developed this Training Program, through federal, county, and city assistance, with definite appropriate career goals, e.g., Clinic Administrators and Coordinators, Assistant Administrators, Membership Counselors, Community Advisors, Marketing Representatives, Verification Clerks, Statistical Reporters, Billers, Receptionists, and other support services. In general, the Program is designed to offer you training and experience in the administrative processes of Health Maintenance Organizations, Pre-Paid Health Plans, and the Medical Profession as a whole.

Welcome aboard --- and don't think of us here at H.M.O. merely as teachers, directors, and executives, but as friends of yours - all of us - who stand ready to serve you in every possible way.

We are happy to give you the benefit of our long and thorough experience in the health care profession, and we feel sure this is the beginning of a long and pleasant relationship.

Yours for Success,

Eugene M. Wheeler

Eugene M. Wheeler
Director of Education

EMW: mb

STUDENT ORIENTATION INFORMATION

We at H.M.O. Management, Inc. welcome you. This is to orient you to the program and to supply you with necessary information.

It is our intent to instruct, train, counsel and provide you with the ability to participate in the health care industry with emphasis on Pre-Paid Health Plans and Health Maintenance Organizations. Upon completion of this course we will attempt to place you in full time positions of employment within the health care field. You are entering a much needed profession which, within the next five years will be the largest single employer in the country.

Meaningful employment is our joint responsibility. We will make every attempt to place you in a job that we feel is best suited for you based upon a full consultation with you. We will discuss each potential job with you prior to sending you on a job interview and will do our very best to place you in a job within a reasonable distance from your residence.

If you should have any problems in any of these areas: transportation to class, day care services for your children, medical, legal, housing, social or emotional problems, or bonding assistance, please contact your Supportive Services Director for assistance

We have complied with safety and health regulations on these premises and will do our utmost to make your classroom environment a pleasant one.

Your class hours are from_____to_____, Monday through Friday, for a period of_____. Throughout this period_____legal holidays will be observed and, therefore, no classes will be held on the following dates:

_____
_____
_____
_____
_____
_____

Your interim placement hours (on the job training period) will be discussed with you and decided on an individual basis.

You are responsible for the proper care and use of the text books provided you.

We reserve the right to terminate you if we find you are not participating, abusing absenteeism or tardiness, displaying improper conduct or any attitude inconsistant with your classroom setting.

It is your responsibility as a member of this program to attend all classes and to participate in class discussions, field trips, and interim placements.

ORIENTATION CERTIFICATION

This is to certify that I have read the orientation letter advising me of my rights and responsibilities as a student and those of H.M.O. Management, as well as allowances, working and classroom hours, training and supportive services available to me.

I further certify that I have been properly introduced to the staff and that I have been given at least 1 full hour of orientation by a staff member in my classroom.

_____
Signed

_____
Date

APPENDIX F

STUDENT EVALUATION REPORTS

H.M.O. MANAGEMENT, INC.

STUDENT EVALUATION

STUDENT_____ REPORTING PERIOD_____

COURSE_____ START DATE_____

PROJECT_____

INSTRUCTOR_____

ATTENDANCE	CURRENT	TO DATE
Days Absent		
Days Scheduled		

A. Quality of work: The student's ability to do high-level work which meets quality standards.

_____1. Very poor. Does work that is unsatisfactory. Performance is inferior and almost never meets minimum quality standards.

_____2. Not too bad, but the level of his work could stand improvement. Performance is usually acceptable but somewhat inferior in quality.

_____3. Fair. The level of his work is mediocre. Performance is acceptable but usually not superior in quality.

_____4. Good, but the level of his work is not outstanding. Performance is usually superior.

_____5. Very good. Does work at an outstanding level. Performance is almost always of the highest quality.

B. How much aptitude does the student have for this type of course material? (Student's adeptness or knack for performing his tasks and/or assignments easily and well)

_____1. Very low aptitude. Has great difficulty doing tasks and/or assignments.

_____2. Low aptitude. Usually has some difficulty doing his tasks and/or assignments.

_____3. Moderate aptitude. Does his assignments and/or tasks without too much difficulty.

_____4. High aptitude. Usually does his tasks and/or assignments without difficulty.

_____5. Very high aptitude. Does his tasks and/or assignments with great ease.

P-09F

C. How accurate is student in his work? (Student's ability to avoid making mistakes)

_____1. Very inaccurate. Makes many mistakes. Work needs constant checking.

_____2. Inaccurate. Makes frequent mistakes. Work needs more checking than is desirable.

_____3. Fairly accurate. Makes mistakes occasionally. Work needs only normal checking.

_____4. Accurate. Makes few mistakes. Work seldom needs checking.

_____5. Highly accurate. Rarely makes a mistake. Work almost never needs checking.

D. How resourceful is student when something different comes up or something out of the ordinary occurs? (Student's ability to apply what he already knows to a new situation)

_____1. Very unresourceful. Almost never is able to figure out what to do. Needs help on even minor problems.

_____2. Unresourceful. Often has difficulty handling new situations. Needs help on all but simple problems.

_____3. Fairly resourceful. Sometimes knows what to do, sometimes doesn't. Can deal with problems that are not too complex.

_____4. Resourceful. Usually able to handle new situations. Needs help on only complex problems.

_____5. Very resourceful. Practically always figures out what to do himself. Rarely needs help, even on complex problems.

E. Considering all the factors already rated, and only those factors, how satisfactory is the student's performance in your class? (Student's "all-around" ability to do the class work)

_____1. Definitely unsatisfactory. Performapce usually not acceptable.

_____2. Not completely satisfactory. Performance somewhat inferior.

_____3. Safisfactory. Fairly proficient student. Performance generally acceptable.

_____4. Good. A valuable student. Performance usually superior.

_____5. Outstanding. An unusually competent student. Performance top notch.

COURSE LEGEND:

- ☐ _____
- ☐ _____
- ☐ _____
- ☐ _____
- ☐ _____
- ☐ _____

H. M. O. MANAGEMENT INC.

STUDENT PROGRESS REPORT

PROGRAM: _____

STUDENT NAME _____

PLACEMENT OBJECTIVE:	DATE:
1.	
2.	
3.	

	1st.MONTH	2nd.MONTH	3rd.MONTH	4th.MONTH	5th.MONTH	6th.MONTH	
40							OUTSTANDING
34							
							EXCEEDING REQUIREMENTS
28							
							MEETING REQUIREMENTS
22							
							MINIMUM ACCEPTABLE PERFORMANCE
16							
							UNSATISFACTORY
0							

H.M.O. MANAGEMENT, INC.

STUDENT'S SUPPORTIVE SERVICES REPORT

NAME _____ DATE _____

I.D. NO. _____ PROJECT _____

PROCESSED BY: _____

AREA OF DIFFICULTIES:

- ☐ FAMILY
- ☐ MARITAL
- ☐ EMOTIONAL
- ☐ LEGAL
- ☐ HOUSING
- ☐ FINANCIAL
- ☐ TRANSPORTATION
- ☐ SCHOLASTIC
- ☐ CHILD CARE
- ☐ HEALTH/MEDICAL
- ☐ JOB
- ☐ OTHER _____

EXPLAIN: _____

RECOMMENDATIONS: _____

RESOLUTION: _____

APPENDIX G

TEXTS AND MATERIALS

TEXTS AND MATERIALS

I. MEDICAL BILLING

A. Insurance Billing In Medical Practice, Grace Ronito, Career Publishing Co., 1974.

B. Insurance Billing In Medical Practice Workbook, Grace Bonito, Career Publishing Co., 1974.

C. Medical Office Management, Grace Bonito, Career Publishing Co., 1974.

II. ACCOUNTING

A. Accounting: The Basis for Business Decisions, Meigs, Mosich, and Johnson, McGraw-Hill, 1967.

III. MEDICAL TERMINOLOGY

A. Medical Terminology, A Programmed Text, Smith and Davis, Wiley Publications, 1973.

IV. PHP/HMO LAW

A. State and Federal Codes and Regulations

B. Knox-Mills Legislation

C. HMO Act

V. MARKETING

A. PHP Information Packet (Large Handout)

B. Enrollment Training Seminar (Large Handout)

C. State Department of Health Guidelines (Large Handout)

D. Large Census Tract Map

IV. MANAGEMENT

A. General Principles of Management (Large Handout)

B. State Department of Health Guidelines (Large Handout)

C. Attorney General's Office Regulations for Compliance (Knox-Mills Act)